



Cedar City

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Mayor

Maile L. Wilson

Council Members

Ronald R. Adams
John Black
Paul Cozzens
Don Marchant
Fred C Rowley

City Manager

Rick Holman

CITY COUNCIL WORK MEETING

JULY 16, 2014

IMMEDIATELY FOLLOWING THE RDA MEETING

The City Council meeting will be held in the Council Chambers at the City Office, 10 North Main Street, Cedar City, Utah. The agenda will consist of the following items:

I. Call to Order

II. Business Agenda
Public

1. Consider annexing approximately 18.41 acres of property in the vicinity of 2800 North and 400 West – Stratton/ Platt & Platt Engineering

Staff

2. Review bids for Cross Hollow Road GenPak improvement project – Trevor McDonald
3. Consider final contract with Tour of Utah – Byron Linford
4. Consider approval of an agreement with SWATC to teach Intro to Law Enforcement in the high schools – Chief Allinson
5. Consider leasing City property for gravel mining at approximately 1950 North Bulldog Road – Kit Wareham
6. Consider board appointments – Mayor Wilson
7. Review Sign ordinance – Rick Holman

Dated this 14th day of July, 2014.

Renon Savage, CMC
City Recorder

CERTIFICATE OF DELIVERY:

The undersigned duly appointed and acting recorder for the municipality of Cedar City, Utah, hereby certifies that a copy of the foregoing Notice of Agenda was delivered to the Daily News, and each member of the governing body this 14th day of July, 2014.

Renon Savage, CMC
City Recorder

Cedar City Corporation does not discriminate on the basis of race, color, national origin, sex, religion, age or disability in employment or the provision of services.

If you are planning to attend this public meeting and, due to a disability, need assistance in accessing, understanding or participating in the meeting, please notify the City not later than the day before the meeting and we will try to provide whatever assistance may be required.

CEDAR CITY COUNCIL
AGENDA ITEMS V - 1
DECISION PAPER

TO: Mayor and City Council

FROM: Paul Bittmenn

DATE: July 14, 2014

SUBJECT: Consider a petition to annex approximately 18.41 acres of property located in the vicinity of 2800 north and 400 West.

DISCUSSION:

Attached are the following documents: (1) a map showing the proposed annexation area, and; (2) the minutes from the planning commission. This project is in the beginning phases of the annexation process. Is the City interested in annexing the property? That is the question we are asking at this stage in the process. If the answer is yes there will need to be formal notification to the neighbors, hearings, analysis of property value and land area, and a formal annexation. If the answer is no at this point there is no point of going further.

The property proposed for annexation is owned by the Vernal Stratton Family Limited Partnership (hereinafter referred to as the Stratton Property). It contains approximately 18.41 acres of ground. Currently property within the boundaries of Cedar City is located to the east, west and a little less than ½ of the northern border. The property to the South of the Stratton Property is located in unincorporated Iron County, as is a little more than ½ of the property to the north.

One of the problems discussed during the planning commission was if this property were annexed it would create an island of un-incorporated property to the south. Utah Code Annotated §10-2-402 states, "(1) (a) A contiguous, unincorporated area that is contiguous to a municipality may be annexed to the municipality as provided in this part. (b) An unincorporated area may not be annexed to a municipality unless: (i) it is a contiguous area; (ii) it is contiguous to the municipality; (iii) except as provided in Subsection 10-2-418(1)(b), annexation will not leave or create an unincorporated island or unincorporated peninsula; and (iv) for an area located in a specified county with respect to an annexation that occurs after December 31, 2002, the area is within the proposed annexing municipality's expansion area." The proposed annexation needs to satisfy all four (4) of the above conditions to be annexed.

The Stratton Property is a contiguous area, all 18.41 acres are within the same parcel of land, and the property is contiguous with the City on its east, west, and a little less than ½ of its north boundary. The property is also within the City's annexation expansion area as defined by Cedar City's annexation policy plan. The problem with this proposed annexation is that it will create an island of unincorporated property to its south and as stated in condition (iii) above an annexation will not leave or create an unincorporated island or unincorporated peninsula. According to State Law where this annexation will create an island of unincorporated property the City may not annex the property.

CEDAR CITY PLANNING COMMISSION

MINUTES

June 3, 2014

The Cedar City Planning Commission held a Meeting on Tuesday, June 3, 2014, at 5:15 p.m., in the Cedar City Council Chambers, 10 North Main, Cedar City, Utah.

Members in attendance: Rich Gillette, Mike Mitchell, Jill Peterson, Kent Peterson, Fred Rowley

Members absent: Chair- Kristie McMullin, Vance Smith-excused

Staff in attendance: Kit Wareham, Paul Bittmenn, Larry Palmer, Michal Adams

Others in attendance: Bob Platt, Dave Clarke

Rich G. made a motion to have Jill P. be the Chair Pro-tem. Seconded by Fred R. and the vote was unanimous

The meeting was called to order at 5:17 p.m.

ITEM/ REQUESTED MOTION

LOCATION/PROJECT

APPLICANT/ PRESENTER

I. Regular Items

1- Approval of Minutes (May 20, 2014) (Approval)

Rich moved to approve the minutes of May 20, 2014, seconded by Mike and the vote was unanimous.

2- Property Annexation (Recommendation)

2800 N 400 W

Stratton/Platt & Platt

Dave Clarke of Platt and Platt presented. He said that the Stratton family wanted to annex a piece and pointed out the location. It is about 18-24 acres in size and mostly farm land. One piece to the south of them has 5 or 6 houses along 2530 North and they don't want to be annexed.

Jill wondered if they have a say in if they do or do not want to be in the City limits.

Paul pointed out the two ways to get annexed. First, a property owner would petition to come into the City limits. Second, would be for a municipality to force property in if that municipality were providing services for a certain amount of time. That tax revenue should be coming to the City so they can be forced to annex.

Fred had heard rumors that you are not supposed to have annexations that create an island.

It was wondered if those other property owners had been notified of this intent to annex. Paul indicated that was part of the annexation process. It takes a long time. This is just the very beginning of that process.

Paul pointed out a couple of islands already in the City; along Horse Alley, and some corrals north of the arena are islands of county within the City limits.

The size of the annexation is about 18 acres and the remainder that would become an island is about 30 acres.

Bob Platt pointed out how this is within the City's declaration policy of land that they want in the City limits.

Fred said so someday, the City wants that annexed. He asked Paul which body made the no island rule. Paul said that was the State Legislature. This was discussed and there is no penalty that he knows of if you do create an island.

Jill wondered the reason there are other islands. Paul gave different examples of why you would annex a property as you are providing them services, but you are not supposed to create an island if possible.

Mike said the reason for this annexation is that the owner wants to, and wondered why. Dave said their intention is to someday sell to a developer and they feel the property would be more valuable if it were in the City limits.

Fred asked if they know they lose their water rights to the City when they annex.

Dave said they do know that they need to give 1.2 acre feet of water to the City when they annex and they won't have that to use. Bob P. said they have plenty of water. Some underground and some surface. If they annex they would deed the City 1.2 acre feet of underground water per acre that they annex to the City. And they still have some remaining plus all their surface water to use for farming. He did not feel that would affect the operation of their irrigation. Kit said it takes 4 acre feet of surface water to grow alfalfa.

Everything on the south of them is in the County and they are all on County services. The Stratton's have signed an MOU as part of this annexation. The property owners to the south were discussed and how they have been approached in the past and how they are very adamant that they not be annexed into the City limits. It was pointed out that they also have no problem with the Stratton's annexing their property.

Different maps were brought up and different areas discussed.

Fred said his concern is that you should not just ignore the laws and do what you want. He is not sure the reason for the statute, and as they make the laws within the City they expect the people to follow them. He feels that the City should do the same.

Rich talked about how the City services were on both sides now. It would benefit the City to have them annex and it would make their property more marketable.

Dave pointed out again that it is in the City's declaration area and it is the desire of the property owner to annex. Who made up the rule and why, not sure, but he could see no harm in having some county left in this area.

The different roads in the area and if they are in City or County was talked about. Who was on City and County services was discussed. Anyone can be on the sewer system, as it is for the entire area; City, County and Enoch.

Fred was not sure when it first came up, but he heard that we have County islands all over the City and that they are illegal.

Rich said it does mess up the maps, and the BLM also has little pieces everywhere that may be considered islands.

Fred wondered about the definitions mostly of a peninsula. Paul said that was tricky, pointed out a case where even the courts could not determine just what was a peninsula. An island is different, as you can see it.

Jill felt this was more about the island than the annexation. Maps of the City boundary were brought up, there are all sorts of little fingers. Jill said it was master planned to be annexed. They looked at the land use map and where the City boundary proposes to go to someday.

Rich said they could put it back on the owners and see if they could round up support from the neighbors to the south. Bob P. said most of them have no desire to be in the City. This was further discussed.

Jill said that they want to see it all in the City and at some point this whole area will change. Bob said if they stay in the county they could still be connected to sewer as that is for all the area. They could not hook to the City water system.

The different zoning of that land and what was around it was talked about.

Mike wondered if that law was for the property owner's protection? Paul did not know the history of it, probably so there were not so many property disputes in larger City areas. We don't have that problem so much here.

Fred made a motion to give a negative recommendation to the City Council for this annexation. Seconded by Kent and the vote was four ayes and one nay. The motion passed.

The meeting adjourned at 5:45 p.m.

Michal Adams, Administrative Assistant

**CEDAR CITY
COUNCIL AGENDA ITEM 2
STAFF INFORMATION SHEET**

TO: Mayor and Council

FROM: Trevor McDonald

DATE: July 16, 2014

SUBJECT: Review Bids for the Cross Hollow Road GenPak Improvement Project

DISCUSSION:

Bids for the subject project were received Thursday July 10th. The project includes widening the pavement on Cross Hollow Road and installing curb, gutter, sidewalk, and a water line for future use along GenPak Property. As shown on the attached bid summary sheet, Ashdown Brothers had the low bid of **\$162,004.55**. Funding for this project has been secured through the City Economic Development Department by an agreement made with GenPak to withhold their tax incentives in order to complete these physical improvements. Sufficient funds have been accumulated to complete the project this year. The budgeted amount is \$200,000.00

City Council may proceed with selecting and awarding the bid. Whomever the bid is awarded to, it would be on the condition that the contractor provide the required executed bonding, insurance documents, immigration status verification and that the Mayor be authorized to sign the contract with the contractor.

It is recommended that the bid for the Cross Hollow Road GenPak Improvement Project be awarded to Ashdown Brothers for the amount of \$162,004.55.

**Cross Hollow Rd. GenPak Improvement
Bid Summary**

Engineer's Estimate		\$191,410.37
Contractor		Bid
ASHDOWN BROTHERS		\$162,004.55
JOHN ORTON EXC.		\$187,662.57
MEL CLARK, INC.		\$184,800.95
PROGRESSIVE CONT.		\$235,674.33
SCHMIDT CONST.		\$218,823.43

**TOUR OF UTAH
CITY PARTICIPATION AGREEMENT
(STAGE 1 START AND FINISH: CEDAR CITY)**

This **Tour of Utah City Participation Agreement** (hereinafter referred to as the "Agreement") is entered into as of this 5th of May, 2014, by and between Utah Cycling Partnership, Inc., a Utah corporation ("TOU"), and **Cedar City Corporation** ("City"), a municipal corporation organized under the laws of the State of Utah. TOU and City are sometimes hereinafter collectively referred to as the "Parties" and individually as a "Party".

RECITALS:

WHEREAS, TOU owns the Tour of Utah, a multi-stage cycling race across the State of Utah (the "Tour");

WHEREAS, in connection with its ownership of the Tour, TOU has rights to certain marks, logos, and other distinctive indicia of the Tour;

WHEREAS, TOU has contracted Medalist Sports, LLC ("Medalist") to assist with presenting, organizing and coordinating the Tour and developing its route and to utilize the Tour Marks (as hereinafter defined) in connection therewith;

WHEREAS, City wishes to acquire the rights and benefits of hosting, the Host City Stage (as that term is defined herein) and to undertake all of the obligations related to such hosting, all under the terms and conditions of this Agreement; and

WHEREAS, TOU wishes to grant such rights to City under the terms and conditions of this Agreement.

NOW THEREFORE, in consideration of the promises and covenants contained herein and for other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the Parties hereby agree as follows:

1. Designation of Host City and Location of Host City Stage. TOU licenses to City (the "Host City") the right to host the Stage 1 Start and Finish (the "Host City Stage") for the Tour to be held in August 2014. The 2014 Tour is scheduled from August 4-10, 2014 and the Host City Stage is scheduled to occur in the city of **Cedar City on Monday, August 4th**. Host City accepts such license and agrees to exercise such license to host the Host City Stage and to undertake and perform the Host City Obligations, as defined hereinafter and as set forth more specifically in Section 4 of this Agreement. The Host City Stage shall be held at a location in Cedar City, Utah which shall be subject to the prior review and approval of TOU (the "Host City Stage Location").

2. Term. The term of this Agreement shall begin as of the date first set forth above (the "Effective Date") and, unless earlier terminated in accordance with the terms set forth herein, shall continue through and including September 14, 2014 (the "Term").

3. CITY REQUIREMENTS. City shall be subject to the following requirements:

- a. General. At all times during the Term of this Agreement, City will not discriminate in any way on the basis of age, sex, race, national origin, handicap, religion or any other characteristic protected by state and federal law, in the conduct of its activities.
- b. Structure. City will be led by one or more chairperson(s) who will be primarily responsible for performance of City's obligations under this Agreement. Such chairperson(s) shall ensure that City's representatives relating to the Tour include individuals with experience in the following areas and whose responsibilities shall be as follows for the Host City Stage in Cedar City. (City has the option to have one individual handle more than one responsibility):

Sponsorship Director
Operations Director
Media/Public Relations/Marketing Director
Technical Director
Volunteer Director
VIP/Hospitality Director
Education/Community and Outreach Director
Ancillary Events and Ceremony Director

4. Host City Obligations. In consideration of the license granted by TOU to City to host the Host City Stage as set forth in Section 1 and the Host City Benefits (as defined below in Section 5 of this Agreement), and in addition to those other obligations set forth in this Agreement, Host City agrees to undertake and perform the following obligations (collectively, the "Host City Obligations"):

- a. Implementation in Accordance with Planning Manual. Host City shall provide assistance in accordance with the 2014 Planning Manual for the Tour (the "Planning Manual") furnished by TOU to Host City.
- b. Publicity and Promotion. Host City shall use its best efforts to publicize the Tour and the Host City Stage through all local media.
- c. Host City Obligation Specifications. Host City shall assist the Tour with providing the following in accordance with the operational and technical specifications set forth on Exhibit "A" hereto:

(1) Auxiliary Space and Equipment for Tour Requirements: Those types of areas, premises and equipment, and for the time period designated on Exhibit "A" hereto;

(2) Police Services: Local police services to work in coordination with the Utah State Highway Patrol and Utah Department of Transportation, as well as TOU representatives and City volunteers, to provide for safe road closure, fixed-post positions, traffic and crowd control and general public safety;

(3) Public Works and Road Services: Support police efforts to ensure road closure and course safety;

(4) Permits: All local permits and fees for operation of the Tour in Host City's locale and presentation of the Host City Stage, including but not limited to special event permits, parking permits, road closure and use permits, alcohol permits, and concession sales permits;

(5) EMS/EMT Services: Emergency medical services and emergency medical technicians to serve the general public at and on the day of the Host City Stage in City;

(6) Portable and/or Public Restrooms: Portable (e.g., port-o-johns) or public restroom facilities on the day of the Host City Stage in a number and locations to be determined by TOU representatives;

(7) Waste Management/Trash Removal/Recycling: Waste management, trash removal services and recycling following conclusion of the Host City Stage in City; and

(8) Volunteers: Recruitment of that number of volunteers designated on Exhibit "A" hereto to assist local police and TOU personnel with various functions to be designated by TOU representatives. Host City will be responsible for the selection and training of its volunteers. All volunteers will be expected to perform their assigned duties and services in a professional and highly competent manner, to the best and full limit of their abilities at all times and in accordance with the highest quality standards, applicable law and the rules and regulations established by Host City and TOU. All volunteers will be required to sign the "2014 Volunteer Waiver and Release of Liability, Assumption of Risk, Covenant Not to Sue, and Indemnity Agreement" form for the Tour.

d. Tour Course Layout and Host City Stage Location. Host City will assist TOU in obtaining a design and layout of that portion of Cedar City and Iron County (if applicable) through which the Tour course will run and provide access to such course without imposition of any site fees.

e. Ambush-Free Zone. Host City agrees to work with TOU to create a zone which consists of the Host City Stage Location and a radius around the Host City Stage Location (the "Ambush-Free Zone") that shall be free from temporary merchandise vending, temporary advertising, and temporary signs and inflatable items. Nothing herein shall obligate Host City to take any actions as it relates to permanent retail establishments in the Ambush-Free Zone. The perimeter of the Ambush-Free Zone should be within a 1-block radius of the Start/Finish area.

f. Ambush Marketing. Host City agrees to use its commercially reasonable efforts to: (1) minimize the "ambush marketing" of Tour Sponsors (hereinafter defined) and Local Stage Sponsors (hereinafter defined) in and around City and the Host City Stage Location during the Tour; and (2) prevent Commercial Exploitation Rights (as hereinafter defined) identified with City from being granted by any governmental agency to any entity that is not a Tour Sponsor during the period commencing two (2) weeks

prior to, through Tuesday following the conclusion of the Tour; and (3) prevent other City-controlled and conflicting major sporting, civic or cultural events from being scheduled in City during the week prior to, through the week following, the Tour, unless such major sporting, civic or cultural events are approved in writing by TOU and under such conditions as TOU may specify.

g. Merchandise Counterfeiting and Trademark Enforcement. Host City shall cooperate with TOU in preventing unauthorized use of the Tour Marks, admissions for the Host City Stage and other intellectual property and the sale or distribution of unlicensed merchandise bearing the Tour Marks or any other reference to the Tour. Such commitment shall apply and be in force during the Term of this Agreement, particularly with respect to the period beginning August 1st prior to the Tour and continuing through thirty (30) days following the Tour. Host City will cooperate with TOU by permitting TOU the right to pursue (at its expense) legal enforcement measures to prevent unauthorized use of the intellectual property regarding the Tour, including but not limited to action against any seller or distributor of unlicensed merchandise. Host City, in conjunction with appropriate governmental entities, will help to identify and communicate information to TOU regarding unauthorized use of the intellectual property of the Tour, including but not limited to sales or distribution of unlicensed merchandise. The decision to pursue civil legal action or settle claims against an unauthorized user of the intellectual property of the Tour or against a seller or distributor of unlicensed merchandise will be at the sole discretion of TOU.

h. Media and Marketing Plan Cooperation. Host City will cooperate with the media and marketing plan of TOU and its contractors, and any designated public relations entity, including accommodating television broadcasters, Tour Sponsors, and other persons and entities to whom and to which TOU has granted and will grant rights.

i. Tour Sponsor Recognition. Host City agrees that Tour Sponsors shall have the right to have recognition and visibility at the Host City Stage Location and that TOU shall determine placement of signage, recognition and visibility.

j. Ancillary Events. Before staging any ancillary events in connection with the rights set forth in this Agreement, Host City shall obtain the prior written approval of TOU for the type, location and anticipated size of the event as well as sponsors.

k. Sale of Merchandise. Host City agrees that no merchandise other than that designated by TOU will be sold on-site at the Host City Stage Location during the Tour without the prior written consent of TOU.

l. Reference to Name of Tour. Host City shall refer to the Tour by the exact name supplied by TOU from time-to-time, including any title or presenting sponsor identification (should title or presenting sponsorship rights be granted), and shall include, in all agreements that Host City may enter into with third parties, a requirement that all third parties utilize the exact name for the Tour supplied by TOU from time-to-time. Notwithstanding anything to the contrary herein, if the name or logo of the Tour is changed after Host City has created Tour related identification, Host City shall not be required to recreate the Tour related identification.

m. Proposed Host City Contracts. Host City shall submit to TOU for prior review and approval, such approval not to be unreasonably withheld, denied or conditioned, all material contracts that Host City proposes to enter into with respect to: (1) the obligations undertaken by Host City in connection with the Tour; and (2) Host City's organization of any ancillary events. All such proposed Host City contracts shall be subject to the terms of Section 8 of this Agreement.

n. Anti-Gouging Provisions. Host City shall exercise commercially reasonable efforts to make sure that hospitality services (including lodging and restaurants) are provided at reasonable prices for visitors and tenants.

o. Guidelines and Amendments. All services and other activities required to be performed or provided by Host City described in this Agreement will be performed or provided in compliance with all reasonable and customary guidelines, standards, policies and directives (collectively, "Guidelines") developed and issued by TOU from time to time. Host City recognizes that, while the contents of the Planning Manual issued by TOU represents the current position of TOU on such matters, such material may evolve as a result of technological and other changes, some of which may be beyond the control of the Parties to this Agreement. TOU reserves the right to propose amendments to this Agreement to address such changes. Should amendments to this Agreement or the Guidelines result in adverse effects on the financial or other obligations of Host City, it will so inform TOU in writing and TOU will then negotiate with Host City in order to address such adverse effects in a mutually satisfactory manner.

p. Promotion of Goodwill. Host City agrees to conduct the activities contemplated by this Agreement and the Planning Manual in such a way as to promote the goodwill associated with the Tour, the Host City Stage and the Host City Stage Location, and TOU Sponsors, and will not at any time disparage the good name, reputation, or image of the Tour, the Host City Stage and the Host City Stage Location, TOU, the State of Utah, or the Tour Sponsors.

q. Credentials. TOU shall be responsible for producing credentials of all types for the Tour, including the Host City Stage and Host City Stage Location and further including credentials for members of the media and operational personnel, which credentials shall be produced at the sole expense of TOU. TOU shall be responsible for all decisions regarding to whom media, VIP and operational credentials should be issued and shall establish all rules and regulations regarding media access to the Tour, the Host City Stage and the Host City Stage Location.

r. Other Services. Host City will provide those other services and undertake those other obligations set forth in Exhibit "A" attached hereto and incorporated herein by this reference, as well as those that may be reasonably requested by TOU after consultation with Host City.

5. Host City Benefits. In consideration of the agreement by Host City to undertake and perform the Host City Obligations, TOU agrees to provide the following recognition and benefits to and for the benefit of Host City (collectively referred to as the "Host City Benefits"):

a. Recognition. Include recognition for Host City in the official Tour Guide, Tour web site, in a press conference announcing that Host City has agreed to serve as the host for the Host City Stage of the Tour and other marketing materials, as outlined by TOU;

b. Hospitality. Provide a designated number of credentials for and grant access to VIP hospitality area that TOU intends to create;

c. Local Sponsorship. Provide local sponsorship opportunities for Host City to utilize, as a means of fundraising, in accordance with the terms of Section 7 of this Agreement; and

d. Ancillary Events. Establish activities ancillary to the Host City Stage within City for the promotion of the State of Utah and Host City, subject to the prior review and approval of TOU.

6. Financial.

a. Tour Revenues. Host City acknowledges and agrees that TOU shall be entitled to retain all revenues attributable to the Tour, the Host City Stage and the Host City Stage Location, except as may be specifically set forth in Sections 6c and 7 of this Agreement.

b. Expenses. Host City agrees that it shall be responsible for the entire cost and expense of undertaking and performing those Host City Obligations listed in Section 4c of this Agreement and in otherwise discharging its obligations under this Agreement.

c. Local Revenues.

(1) Parking. Host City may offer parking for spectators for the Host City Stage. Host City may retain all revenues from such parking and shall be responsible for all parking expenses.

(2) Food and Beverage Concessions. Subject to certain VIP hospitality to be offered exclusively by TOU, Host City may offer food and beverage concessions at the Host City Stage Location for purchase. Host City may retain all revenues derived from food and beverage concessions and shall be responsible for all expenses attendant to such concessions.

(3) Ancillary Events. Host City may create, organize and present events ancillary to the Host City Stage, provided TOU has approved such events in advance in writing, and Host City may retain all revenues generated thereby. Host City shall be responsible for all expenses of creating, organizing and presenting such ancillary events.

7. Local Sponsorships. Host City acknowledges and agrees that TOU holds and retains superior rights to grant sponsorships for the Tour, including for a title and presenting sponsor as well as for sponsorships which will grant recognition for the entire Tour (collectively, the "Tour Sponsors"). Notwithstanding the foregoing, TOU grants to Host City a license to solicit and secure local sponsors to support the activities of Host

City in connection with the Host City Stage, in accordance with the following terms and conditions:

a. Designation. Each local sponsor may be given the designation "Local Stage Sponsor," to the exclusion of any other sponsorship designation. A Local Stage Sponsor may neither be referred to nor describe its involvement with the Host City Stage by any other designation, including but not limited to a sponsor of the Tour or a local sponsor of the Tour.

b. Sponsorship Levels. Host City may create one or more sponsorship levels for Local Stage Sponsors, including a local presenting sponsor.

c. Local Sponsorship Guidelines. Sale of Local Stage Sponsor rights shall be subject to the following guidelines:

(1) TOU Approval. TOU shall have the right of prior review and prior written approval over the identity of all proposed Local Stage Sponsors as well as recognition and benefits to be provided by Host City to such Local Stage Sponsors. Host City acknowledges that such review and approval is necessary to avoid conflicts between Tour Sponsors and Local Stage Sponsors.

(2) Sponsorship Priority. The title sponsor of the Tour as well as all other sponsors of the Tour designated by TOU shall have priority over and rights superior to that of any Local Stage Sponsor.

(3) Submission of Materials to TOU. Host City must submit all prospective sponsor lists and packages, art work, copy and designs to TOU for approval in advance.

(4) Use of Tour Marks. Host City has no authority to grant a sublicense to, and Local Stage Sponsors shall have no right to use the Tour Marks at any time.

(5) Recognition of Tour Sponsors. Host City shall facilitate that recognition of Tour Sponsors as designated by TOU and the LOC Sponsorship Benefits Strategy/Asset List.

(6) No Other Recognition. Local Stage Sponsors shall not receive any endorsements from individual athletes participating in the Tour without the involved athlete's prior permission, nor will Local Stage Sponsors be guaranteed broadcast exposure of any type.

8. Required Clauses. Notwithstanding the obligations of Host City pursuant to Section 4m of this Agreement, Host City agrees that, in each and every transaction that City enters into with regard to the Tour, the Host City Stage, the ancillary events, or rights related to either the Tour, the Host City Stage, or the ancillary events, the following required clauses will be incorporated:

a. Commercial Identification Prohibition. Unless otherwise agreed in writing by TOU, all parties contracting with or providing goods or services to Host City

in connection with the Host City Stage or the Tour and/or any ancillary events related thereto must agree that neither they nor their affiliates, agents, representatives, employees, suppliers or subcontractors shall commercially exploit in any manner the nature of their transaction or the goods and/or services provided to Host City for the Host City Stage or the Tour, including without limitation: (1) by referring to the transaction or the goods or services, Host City, the Host City Stage or the Tour and/or ancillary events related thereto in any sales literature, advertisements, letters, client lists, press releases, brochures or other written, audio or visual materials; or (2) by using or allowing the use of the Tour Marks or any other service mark, trademark, copyright or trade name now or which may hereafter be owned or licensed to signify the Tour in connection with any service or product; or (3) by otherwise disclosing their affiliation with Host City or the Host City Stage or the Tour and/or ancillary events related thereto for a commercial purpose.

b. Clearances and Licenses. Each party contracting with or providing goods or services to Host City in connection with the Host City Stage or the Tour or events which Host City hosts or associates with during the Host City Stage and/or ancillary events related thereto must agree that the party is responsible for providing all clearances, licenses, permissions and consents (including without limitation all music clearances, synchronization rights, union and guild fees and the like) as may be necessary for the party to perform its contractual obligations with regard to all such events, to the extent permitted by TOU, in any and all media and in any and all forms, whether now known or hereafter developed.

c. Indemnification. Every party contracting with or providing goods or services to Host City in connection with the Host City Stage or the Tour and/or ancillary events related thereto must agree to release, indemnify, defend and hold harmless TOU, Medalist, each designated public relations entity, the State of Utah, Union Cycliste Internationale ("UCI"), and all Tour Sponsors, and their respective parent, subsidiary, and affiliated companies and each of their respective shareholders, members, trustees, partners, officers, directors, agents, volunteers, employees, and other representatives (collectively, the "TOU Parties") from and against any claims, demands, damages, liabilities, lawsuits, losses or expenses, including without limitation, interest, penalties, reasonable attorney's fees, and all amounts paid in the investigation, defense or settlement of any or all of the foregoing ("Claim" or "Claims") resulting from, arising out of or in connection with the contracting party's obligations to Host City or the provision of goods or services to Host City.

d. Compliance with Law. Every party contracting with or providing goods or services to Host City in connection with the Host City Stage or the Tour and/or ancillary events related thereto must agree to comply with all laws, ordinances, orders, rules and regulations (state, federal, municipal or promulgated by other agencies or bodies having or claiming jurisdiction) applicable to the performance of such party's obligations to Host City.

e. Exculpation Clause. Every party contracting with or providing goods or services to Host City in connection with the Host City Stage or the Tour and/or ancillary events related thereto must agree to look solely to the assets of Host City for any recourse, and not those of TOU or any other of the TOU Parties (as defined in Section 8c above).

f. Insurance. Every party contracting with or providing goods or services to Host City in connection with the Host City Stage or the Tour and/or ancillary events related thereto must agree to maintain, at no cost to TOU or the TOU Parties, appropriate insurance coverage for Claims arising out of the contracting party's operations, personnel, products and services. All such insurance provided by each contracting party shall (1) be primary to and non-contributory with any insurance maintained by Host City, TOU and the TOU Parties; (2) be written by insurance companies with ratings of "A" or better in the latest edition of the A.M. Best key rating guide; and (3) provide that coverage may not be materially changed, reduced or cancelled unless thirty (30) days prior written notice thereof is furnished to Host City and TOU. All liability policies shall be endorsed to name Host City, TOU, Medalist and the TOU Parties as Additional Insureds, and shall include a waiver of subrogation in favor of the Additional Insureds. Each contracting party shall be solely responsible for the costs of all deductibles under such policies and shall remain solely and fully liable for the full amount of any Claims not covered by insurance. Each contracting party shall provide Host City and TOU with certificates of insurance certifying that the appropriate insurance is in place and that the policies have been properly endorsed to meet the insurance requirements as set forth above.

9. Licenses to Use Marks.

a. Tour Marks.

(1) Acknowledgements Regarding Tour Marks. Host City acknowledges TOU retains the rights to sell title and presenting sponsorships in and to the Tour and, in such event, to incorporate the name and/or marks of such title and/or presenting sponsor into the Tour Marks or to develop new marks and logos for the Tour, acknowledging such title and/or presenting sponsor's relationship with and support for the Tour. Host City acknowledges the foregoing and that the term "Tour Marks" as used herein may also refer to the Tour Marks as such may be expanded to include the name and/or marks of a title and/or presenting sponsor of the Tour. Upon being advised by TOU of a change to the Tour Marks in the event of a sale of title or presenting sponsorships, Host City agrees to utilize the updated Tour Marks with the name and/or marks of a title and/or presenting sponsor, all as designated by TOU.

(2) License to Use Tour Marks. TOU hereby grants to Host City a limited non-exclusive license to use the name, logos, trademarks, service marks, designs, product and service identification, artwork and other symbols and distinctive indicia associated with the Tour and identified in Exhibit "B" hereto (the "Tour Marks") during the Term of this Agreement, in accordance with the terms of this Agreement and the Tour Marks Guidelines set forth in Section 9a(6) hereinbelow, solely at or in connecting with the site of the Host City Stage, including the Host City Stage Location. The foregoing license is subject to the right of TOU to review and approve in advance all such uses of the Tour Marks. Host City shall have no right to assign, license or "pass-through" rights to use the Tour Marks to any other person or entity. In exercising this license to use the Tour Marks and in each and every reference to the Tour, Host City shall utilize the Tour Marks and the exact name of the Tour designated by TOU, which shall include the name of any title and/or presenting sponsor. The Parties acknowledge and agree that, upon the expiration or termination of the Term of this Agreement, Host City shall cease to use the Tour Marks.

(3) License Does Not Extend to Merchandise. Host City shall not manufacture or sell, or license the manufacture or sale of, any promotional or other merchandise which bears the Tour Marks.

(4) Acknowledgements Regarding Goodwill. Host City acknowledges the great value of goodwill associated with the Tour Marks. Host City acknowledges that the goodwill attached to the Tour Marks belongs exclusively to TOU. Host City agrees that any and all goodwill and other rights that may be acquired by the use of the Tour Marks by Host City shall inure to the benefit of TOU.

(5) No Disparagement by Host City. Host City will not, at any time, disparage, dilute or adversely affect the validity of the Tour Marks or take any action, or otherwise suffer to be done any act or thing which may at any time, in any way materially adversely affect any rights of TOU in or to the Tour Marks, or any registrations thereof or which, directly or indirectly, may materially reduce the value of the Tour Marks or detract from their reputation. This section shall not be interpreted to preclude any action or proceeding by Host City to enforce or defend its rights under this Agreement and shall not preclude Host City or its representatives from communicating information, which Host City reasonably determines to be factually accurate, pertaining to the Tour, its organizers or sponsors.

(6) Tour Marks Guidelines. Any use of the Tour Marks during the Term shall be further subject to the following conditions and limitations (collectively, the "Tour Marks Guidelines"):

(a) The Tour Marks shall be used in accordance with the Graphics Standards Manual, published by TOU from time-to-time;

(b) Host City shall not use the Tour Marks in any manner that is misleading or that reflects unfavorably upon the reputation of the Tour, TOU, the State of Utah or any competitor in the Tour or in any manner that is contrary to applicable laws and regulations, including, without limitation, those relating to truth in advertising and fair trade practices;

(c) Host City shall not (i) permit any tradename or mark of a third party to appear in conjunction with Host City's materials that display any of the Tour Marks; or (ii) participate with any third party in a promotion using the Tour Marks or permit the Tour Marks to be used in a manner that could be reasonably interpreted as a promotion or endorsement of a third party's products or services;

(d) Host City shall not use the Tour Marks without the appropriate trademark or copyright designation as required by TOU;

(e) Host City acknowledges that its selection to host the Host City Stage is not based upon the results of any quality comparison between Host City and any other municipality within the State of Utah, and agrees that it shall not represent otherwise to any third party or use the expressions "selected," "approved," "warranted," "preferred," or "consented to" by the Tour or any similar endorsement;

(f) Host City shall not use the license granted under this Agreement in any comparative advertising; and

(g) Host City shall not, after the expiration or termination of this Agreement, use any slogan or graphic device that was developed for use in conjunction with the Tour Marks if such slogan or graphic device implies an ongoing association with the Tour.

b. Host City Marks.

(1) License to Use Host City Marks. Host City hereby grants to TOU a limited non-exclusive license to use the name, logos, trademarks, service marks, designs, product and service identification, artwork and other symbols and distinctive indicia of Host City and identified in Exhibit "C" attached hereto (the "Host City Marks") during the Term of this Agreement in accordance with the terms of this Agreement and the Host City Marks guidelines in accordance with Section 9b(2) of this Agreement, specifically to provide Host City with the Host City Benefits. The foregoing license is subject to the right of Host City to review and approve in advance all such uses of the Host City Marks. TOU shall have no right to assign, license or "pass-through" rights to use the Host City Marks to any party, except as necessary to fulfill its obligations set forth in this Agreement. The Parties acknowledge and agree that, upon the expiration or termination of the Term of this Agreement, TOU shall discontinue any use of the Host City Marks and TOU may continue to use the Tour Marks.

(2) Host City Marks Guidelines. TOU shall utilize the Host City Marks pursuant to the license granted herein in accordance with those graphics standards supplied by Host City to TOU in writing from time-to-time.

10. Trademarks.

a. Tour Marks.

(1) The Tour Marks, specifically including but not limited to the words "Tour of Utah", are and shall remain the property of TOU and TOU shall take all steps reasonably necessary to protect such Tour Marks, which steps may include registrations through the United States Patent and Trademark Office ("PTO") and foreign registrations, as it deems desirable and through reasonable prosecution of infringements.

(2) The rights licensed by TOU to Host City with respect to use of the Tour Marks shall convey license rights only and shall convey no rights of ownership in or to the Tour Marks.

(3) TOU represents and warrants that it has the right to use the Tour Marks, specifically including but not limited to the words "Tour of Utah," and to license the use of the Tour Marks to Host City as set forth in Section 9a of this Agreement.

(4) Host City acknowledges TOU shall own all right, title and interest in and to the Tour Marks. TOU shall have the right to take all steps reasonably necessary to protect the Tour Marks through appropriate state and PTO registrations and such foreign registrations as it deems desirable and through reasonable prosecution of

infringements. TOU shall be the record owner of all such registrations for the Tour Marks. Host City shall cooperate as reasonably necessary to assist TOU in obtaining such trademark protection and in prosecuting any alleged infringements of the Tour Marks.

b. Host City Marks.

(1) The Host City Marks are and shall remain the property of Host City and Host City shall take all steps reasonably necessary to protect such Host City Marks through state, PTO and foreign registrations as it deems desirable and through reasonable prosecution of infringements.

(2) Host City represents and warrants that it has the right to use the Host City Marks and to license the use of the Host City Marks to TOU for use in connection with the Tour and to provide the Host City Benefits.

(3) The rights granted to TOU by Host City with respect to use of the Host City Marks shall convey license rights only and shall convey no rights of ownership in or to the Host City Marks.

11. Merchandising. The Parties acknowledge and agree that TOU shall be the sole licensor of all Tour-related merchandise bearing the Tour Marks and/or otherwise relating to the Tour in any way (the "Tour-Related Merchandise"). Host City shall have the right to purchase Tour-Related Merchandise from the licensee for such Tour-Related Merchandise at amounts to be agreed upon by and among TOU, Host City and such licensee, but shall have no right or license to manufacture or distribute Tour-Related Merchandise or any other merchandise bearing the Tour Marks.

12. Approvals.

a. Host City agrees to submit to TOU for its prior written approval all proposed uses of the Tour Marks that Host City wishes to make pursuant to the limited license granted to Host City in this Agreement, including but not limited to submission of representative samples of all advertising, promotional and other materials to be used in connection with Host City's products and services as well as any premiums that Host City may wish to use containing the Tour Marks. If Host City's request is not responded to by TOU within ten (10) business days after TOU has received the material from Host City, Host City shall provide written notification to TOU of such fact and Host City agrees that any such proposed materials shall be deemed denied if Host City's request is not responded to within five (5) business days following TOU's receipt of such written notice. Host City shall not distribute any material without the prior written approval of TOU.

b. Host City shall supply free of charge to TOU for administrative and archival purposes two (2) originals of all advertising, promotional or other materials in connection with the products and services to be used by Host City in connection with the licenses granted under this Agreement.

c. All requests for approval, including representative samples of all advertising, promotional and other materials, shall be sent to TOU at the address for

notices under this Agreement to the attention of the individual designated to receive notices for TOU.

13. Broadcast and Media Rights; Other Commercial Exploitation of Tour. As between Host City and TOU, TOU controls all rights to distribute, promote, market and otherwise commercially exploit the Tour and the Host City Stage by means of any and all audio, visual and audiovisual media of all types, including but not limited to television, radio, Internet, print and wireless devices, as well as with respect to sponsorship, licensing, hospitality, merchandising, and other marketing rights with respect to the Tour (“Commercial Exploitation Rights”), and Host City will not purport to grant or license any such Commercial Exploitation Rights to a third party without the prior express written approval of TOU.

14. Ownership and Protection of Intellectual Property.

a. Ownership of Intellectual Property.

(1) Subject to the terms of Section 10 of this Agreement, each Party shall own all right, title and interest in and to all intellectual property created by or on behalf of such Party in connection with this Agreement, including without limitation, all logos, names, ideas, concepts, creative materials, promotional materials, advertising and graphics, including all copyrights and proprietary rights therein, and any inventions and discoveries first conceived or developed by the Party in connection with its performance under this Agreement, whether or not protected by patent, trade secret or copyright, subject to the ownership rights of the other Party to such other Party’s trademarks to the extent that such are incorporated into such intellectual property (such property being collectively referred to as the “Intellectual Property”). That Intellectual Property which has been or will be created by or on behalf of Host City is referred to as the “Host City Intellectual Property” and that Intellectual Property which has been or will be created by or on behalf of TOU is referred to as the “Tour of Utah Intellectual Property.”

(2) Notwithstanding the foregoing, the Parties acknowledge and agree that the Tour Marks and the distinctive colors, concepts, indicia and look displayed by TOU throughout the Tour and by TOU in its regular business operations and materials shall constitute Tour of Utah Intellectual Property and therefore be owned by TOU. Host City expressly acknowledges that the Parties have agreed that all copyrightable aspects of the Tour of Utah Intellectual Property are to be considered “works made for hire” within the meaning of the Copyright Act of 1976, as amended (the “Act”), of which TOU is to be the “author” within the meaning of the Act. All such copyrightable works, as well as all copies of such works in whatever medium fixed or embodied, shall be owned exclusively by TOU as its creation, and Host City expressly disclaims any interest in any of them. Host City expressly acknowledges that it is not a joint author and that the Tour of Utah Intellectual Property and all other work created by TOU hereunder are not joint works under the Act.

(3) In the event (and to the extent) that any Tour of Utah Intellectual Property or any part or element thereof is found as a matter of law not to be “work made for hire” within the meaning of the Act, Host City hereby conveys and assigns to TOU the sole and exclusive right, title and interest in the ownership to all such Tour of Utah

Intellectual Property, and all copies of it, without further consideration, and agrees to assist TOU's efforts to register, and from time to time to enforce, all patents, copyrights, and other rights and protections relating to the Tour of Utah Intellectual Property in any and all countries. To that end, Host City agrees to execute and deliver all documents requested by TOU to evidence any assignment as well as otherwise in connection therewith.

(4) Host City understands that the term "moral rights" means any rights of paternity and integrity, including any right to claim authorship of a copyrightable work, to object to a modification of such copyrightable work and any similar right existing under the judicial or statutory law of any country or under any treaty, regardless of whether or not such right is referred to as a "moral right," including, without limitation, the rights of attribution and integrity in works of visual art pursuant to 17 U.S.C. § 106A. Host City irrevocably waives and agrees never to assert any moral rights Host City may have in the Tour of Utah Intellectual Property, even after any termination or expiration of this Agreement.

(5) The Parties agree to affix appropriate copyright and trademark notices as reasonably designated by the other, together with their own notices as appropriate, on the Tour of Utah Intellectual Property to identify TOU as the owner of the Tour of Utah Intellectual Property and Host City as the owner of the Host City Marks.

b. Protection of Intellectual Property.

(1) Host City acknowledges that it has no right, title or interest in the Tour Marks and that nothing in this Agreement shall be construed as an assignment to Host City of any right, title or interest in the Tour Marks, except the license to use of the Tour Marks as provided in this Agreement.

(2) Host City agrees that TOU shall have the sole right to determine whether any action should be taken to terminate unauthorized use of the Tour Marks or to settle any proceeding brought by TOU to terminate such unauthorized use. All proceeds from any enforcement action shall belong exclusively to TOU.

(3) TOU and Host City agree to assist each other in the defense of any proceeding or claim with respect to the use of any Tour Marks by Host City in accordance with the terms of this Agreement. TOU agrees to defend, at its expense, any such proceeding or claim on behalf of Host City. Host City shall be permitted to retain, at its expense, separate counsel in such defense.

15. Reservation of Rights. TOU reserves all rights not expressly licensed to Host City under this Agreement. Any and all rights of TOU, including those in and to the Tour and the Tour Marks, not expressly granted to Host City under this Agreement are reserved to TOU and may be exercised, marketed, exploited or disposed of by TOU concurrently with the Term of this Agreement in such form and manner as TOU wishes. Host City acknowledges and agrees that this Agreement does not convey or grant to Host City any rights of ownership in or management of the Tour, TOU or the Tour Marks.

16. Representations and Warranties.

a. By TOU. TOU represents and warrants that:

(1) It has the full right, power and legal authority to enter into and fully perform this Agreement in accordance with its terms without violating the rights of any other person, that there are no other agreements or commitments, oral or written, that will interfere with its full performance hereunder and that it will fully comply with all federal, state and local laws, rules and regulations applicable to the day-to-day conduct of its business and to its obligations and performances hereunder;

(2) The Tour Marks do not infringe the trademarks or other proprietary rights of any other person or entity;

(3) Any materials created under the control, direction or supervision of TOU shall be original, shall be owned by TOU and shall not infringe any third party copyright or trademark; and

(4) It will comply with all applicable laws, regulations and ordinances pertaining to the promotion and conduct of the Tour.

b. By Host City. Host City represents and warrants that:

(1) Host City has the full right, power and legal authority to enter into and fully perform this Agreement in accordance with its terms without violating the rights of any other person, that there are no other agreements or commitments, oral or written, that will interfere with its full performance hereunder and that it will fully comply with all federal, state and local laws, rules and regulations applicable to the day-to-day conduct of its business and to its obligations and performances hereunder;

(2) Host City owns or has the authority to grant to TOU a license to use the Host City Marks;

(3) The Host City Marks do not infringe the trademarks or other proprietary rights of any other person or entity;

(4) Any materials created under the control, direction or supervision of Host City shall be original, shall be owned by Host City and shall not infringe any third party copyright or trademark; and

(5) Host City will exercise its best efforts to ensure that City officials, employees and other representatives and Host City officers, directors, employees, volunteers, agents, representatives, and contracted parties promote and protect the goodwill of the Tour and not engage in conduct which is detrimental to the Tour, the Tour Sponsors, TOU and/or the TOU Parties. This section shall not be interpreted to preclude any action or proceeding by Host City to enforce or defend its rights under this Agreement and shall not preclude Host City or its representatives from communicating information, which Host City reasonably determines to be factually accurate, pertaining to the Tour, its organizers or sponsors.

17. Indemnification.

a. By TOU. TOU shall indemnify, defend and hold harmless Host City, its affiliates, and their respective officers, directors, partners, shareholders, members, agents, employees, and other representatives, from and against any and all Claims arising out of, based on or in any other manner related to: (1) the breach of any representation, warranty, material covenant or obligation of TOU under this Agreement; (2) any negligent act, negligent omission or willful conduct by TOU; and (3) any Claim that the Tour Marks or other Tour of Utah Intellectual Property infringe upon any patent, copyright, trademark, trade secret or any other right of a third party.

b. By Host City. Host City shall indemnify, defend and hold harmless TOU, Medalist, the State of Utah, UCI, and Tour Sponsors, and their respective parent, subsidiary and affiliated companies, and each of their respective officers, directors, partners, trustees, shareholders, members, agents, employees, volunteers and other representatives (collectively, the "TOU Indemnified Parties"), from and against any and all Claims arising out of, based on or in any other manner related to: (1) the breach of any representation, warranty, material covenant or obligation of Host City under this Agreement; (2) any negligent act, negligent omission or willful conduct by Host City; (3) the products, services, and other deliverables provided by Host City and its employees, volunteers, agents, representatives and contractors in carrying out its obligations under this Agreement, provided, however, that Host City shall not be responsible for indemnification resulting from road conditions of State of Utah maintained highways and roads; (4) the exercise by Host City of its rights and the Host City Benefits under this Agreement, including but not limited to any parking, food and beverage concessions, ancillary events or local sponsorships organized by Host City; (5) any advertiser's liability or other claim arising out of or in connection with the unauthorized use by Host City of the Tour Marks, including but not limited to any claim based upon an allegation of sponsorship or guaranty by TOU of City; (6) a claim that the Host City Marks infringe upon any patent, copyright, trademark, trade secret or any other right of a third party; and (7) the failure or alleged failure by Host City to comply with all laws relating to labor relations, fair employment practices, safety and similar rules and regulations, including without limitation, the requirement of the Occupational Safety and Health Act (OSHA) of 1970 and with all Equal Employment Opportunity (EEO) provisions as required by law, regulation or executive order. Notwithstanding the foregoing, this indemnification shall not extend to or include any claims, damages, suit or attorneys fees arising out of any claim or allegation that any of the routes, roads, trails or other parts of the Tour course were negligently designed or selected. Prior approval by TOU of the use of the Tour Marks or other matters as to which TOU approval is required under this Agreement shall not affect TOU's right to indemnification as to such usage.

c. Procedure Regarding Indemnification. Each Party shall give the other Party prompt written notice of any Claim coming within the scope of any indemnity expressly set forth in this Agreement. Upon written request of any indemnitee, the indemnitor will assume defense of any such Claim, action or proceeding. The indemnitee shall cooperate with the indemnitor in the investigation, defense and/or settlement of any such Claim. The indemnification obligations in this Section 17 of this Agreement shall survive the expiration and/or termination of this Agreement.

18. Termination.

a. Default. Either Party may terminate this Agreement, at its option, upon written notice to the other Party, upon the occurrence of one or more of the following events (the "Termination Events"):

(1) Material breach of any covenant, agreement, representation, warranty, term or condition of this Agreement, if such breach has not been waived in writing and if such breach is not cured or remedied by the breaching Party to the other Party's reasonable satisfaction within thirty (30) days after delivery of written notice specifying the nature of the breach, or if the Parties agree that the breach is not capable of being cured or remedied within said thirty (30) days, then within the time period mutually agreed to by the Parties in a jointly approved plan of corrective action developed within thirty (30) days after the delivery of written notice to the breaching Party specifying the nature of the breach;

(2) A Party becomes insolvent, fails to pay its debts or perform its obligations in the ordinary course of its business as they become due, admits in writing its insolvency or inability to pay its debts or perform its obligations as they become due, or becomes the subject of any voluntary or involuntary proceeding in bankruptcy, liquidation, dissolution, receivership or general assignment for the benefit of creditors, provided that, if such condition is assumed involuntarily, it has not been dismissed with prejudice within sixty (60) days after its commencement; or

(3) A Party is the subject of public controversy of such a magnitude that such Party's association with the other Party pursuant to this Agreement creates a negative association for such other Party, in the reasonable judgment of such other Party, in which case the other Party may terminate this Agreement without cost or penalty.

(4) By TOU, in the event that, in its sole discretion, the Tour as a whole, or the inclusion of the Host City Stage in the Tour, is no longer economically feasible.

b. Effect of Termination. Should either Party terminate this Agreement as a result of a Termination Event set forth in Section 18a above, then upon termination of this Agreement Host City's Host City Benefits shall terminate and Host City shall cease using the Tour Marks. In addition, should such termination result from a termination notice given by Host City to TOU from occurrence of a Termination Event of the type set forth in Sections 18a(1) or (2) above, TOU shall repay to Host City all amounts actually expended by Host City in performing its obligations hereunder; provided, however that in no event shall TOU be liable for amounts in excess of \$10,000 in the aggregate for any particular Tour year. Should termination result from a termination notice given by TOU to Host City from occurrence of a Termination Event of the type set forth in Sections 18a(1) or (2) above, Host City shall repay to TOU all amounts expended by TOU in licensing to Host City the right to host the Host City Stage, to provide the Host City Benefits, and to relocate the site for the Host City Stage; provided, however that in no event shall Host City be liable to TOU for amounts in excess of Ten Thousand Dollars and no/100 (\$10,000).

19. Independent Contractors. TOU and Host City are independent contractors with respect to each other and nothing herein shall be deemed or construed to create any partnership, joint venture or agency relationship between them. Host City is simply serving as Host City to the Host City Stage of the Tour under the license of rights granted herein and is agreeing herein to provide certain services and to undertake certain obligations in order to acquire certain marketing rights and benefits. Neither Party shall have any authority to contract for or bind the other Party in any manner and neither Party shall represent itself as the agent of the other.

20. Insurance.

a. **TOU Provided Insurance.** Throughout the Term of this Agreement (including any extensions thereof), TOU shall provide and maintain, at its expense, the following insurance policies which shall protect the TOU Parties on a primary basis from any and all Claims arising out of, in connection with or with respect to the staging of the Tour and the obligations of TOU pursuant to this Agreement:

(1) Event Liability insurance (inclusive of commercial general liability as well as auto liability) with limits not less than \$1,000,000 each occurrence and \$2,000,000 in the aggregate;

(2) Auto Liability & Physical Damage insurance covering Claims arising out of the use, operation or maintenance of any vehicle (whether owned, non-owned, leased, hired or borrowed) by TOU, with limits not less than \$1,000,000 each accident combined single limit for bodily injury and property damage

(3) Workers' Compensation insurance covering TOU's employees with limits as required by statutory law, including Employer's Liability coverage with limits not less than \$500,000 each accident;

(4) Umbrella and/or Excess Liability insurance with limits not less than \$5,000,000 each occurrence shall apply in excess of and on a following form basis to the primary Commercial General Liability, Automobile Liability and Employer's Liability policies; and

(5) Any other insurance necessary and appropriate for the staging of the Tour as determined by TOU.

All such insurance to be maintained by TOU shall be (1) primary with respect to Claims arising out of the TOU's staging of the Tour and the obligations of TOU pursuant to this Agreement; and (2) shall be written by insurance companies with ratings of "A" or better in the latest edition of the A.M. Best key rating guide. TOU shall not allow coverage to be materially changed, reduced or cancelled unless thirty (30) days prior written notice thereof is furnished by TOU to Host City.

The policies described in Sections 20a(1), (2) and (4) above shall be endorsed to name Host City as an Additional Insured with respect to the negligent acts or omissions of TOU.

At least 15 days prior to the first day of the Tour, TOU shall provide Host City with a certificate of insurance certifying that the appropriate insurance is in place and that the policies have been properly endorsed to meet the insurance requirements as set forth above.

b. TOU Optional Insurance. TOU may, but shall not be obligated to, secure Event Cancellation insurance providing reimbursement of insured losses if the Tour does not take place, in whole or in part, due to any Act of God or other event beyond the control of the TOU and those other circumstances set forth in Sections 21 and 22 of this Agreement. Covered perils may include adverse weather conditions; natural disasters; outbreak of disease; damage to or loss of venue; unavoidable transportation delays; non-appearance of key participants due to death, injury or illness; situations which pose significant danger to the public or Tour participants; and other causes beyond TOU's control which are not specifically excluded under the policy. Notable exclusions will include war, civil commotion, riot, martial law, seizure, radioactive/ nuclear contamination, poor event planning and management, fraud, misrepresentation or concealment. All event cancellation proceeds shall constitute the property of TOU.

c. Host City Provided Insurance. Throughout the Term of this Agreement (including any extensions thereof), Host City shall provide and maintain, at its expense, the following insurance policies (or in the event Host City is self-insured, a program of insurance), which shall protect Host City, TOU, Medalist and the TOU Parties on a primary basis from any and all Claims arising out of or in connection with Host City's activities, operations, representations and warranties, rights, obligations and duties pursuant to this Agreement:

(1) General Liability insurance with limits not less than \$1,000,000 each occurrence and \$2,000,000 in the aggregate. Such insurance shall include coverage for contractual liability, products-completed operations, personal and advertising injury, premises damage, legal liability, liquor liability (if applicable), property damage and bodily injury liability (including death);

(2) Auto Liability & Physical Damage insurance covering Claims arising out of the use, operation or maintenance of any vehicle (whether owned, non-owned, leased, hired or borrowed) by Host City, with limits not less than \$1,000,000 each accident combined single limit for bodily injury and property damage;

(3) Workers' Compensation insurance covering Host City's employees with limits as required by statutory law, including Employer's Liability coverage with limits not less than \$1,000,000 each accident, \$1,000,000 disease-each employee and \$1,000,000 disease-policy limit;

(4) Umbrella and/or Excess Liability insurance with limits not less than \$3,000,000 each occurrence shall apply in excess of and on a following form basis to the primary Commercial General Liability, Automobile Liability and Employer's Liability policies;

(5) Any other insurance necessary and appropriate for covering Host City's activities, operations, representations and warranties, rights, obligations and duties pursuant to this Agreement.

All such insurance to be maintained by Host City shall be (1) primary to and non-contributory with any insurance maintained by TOU and the TOU Parties; and (2) shall be written by insurance companies with ratings of "A" or better in the latest edition of the A.M. Best key rating guide. Host City shall not allow coverage to be materially changed, reduced or cancelled unless thirty (30) days prior written notice thereof is furnished by Host City to TOU.

The policies described in Sections 20c(1), (2) and (4) above shall be endorsed to name TOU and the TOU Indemnified Parties (as defined in Section 17b of this Agreement) as Additional Insureds with respect to the negligent acts or omissions of Host City.

At least 15 days prior to the first day of the Tour, Host City shall provide TOU with a certificate of insurance certifying that the appropriate insurance is in place and that the policies have been properly endorsed to meet the insurance requirements as set forth above.

21. Force Majeure. In the event that the Tour does not take place or is rescheduled, in whole or in part, due to any Act of God or other event not reasonably foreseeable by the Parties or beyond the control of the Parties which is generally considered an event of force majeure ("Force Majeure"), including without limitation, weather, fire, flood, earthquake, act of public enemy or terrorism, strike or labor dispute, governmental action or directive or local, regional or national day of mourning, whether such event of Force Majeure has occurred in a community through which the Tour course shall run or not, then TOU may discontinue provision of the Host City Benefits to and for the benefit of Host City and Host City need not continue to perform those Host City Obligations which remain unperformed as of the date of cancellation or postponement. TOU shall determine whether the Tour is to be cancelled in whole or in part or postponed due to a Force Majeure event. Should the Tour be cancelled in whole or in part due to an event of Force Majeure, TOU shall have no further obligation, financial or otherwise, to Host City and Host City shall have no further obligation to TOU in connection with the Tour. In the event that the Tour is postponed in whole or in part due to an event of Force Majeure and TOU intends to reschedule the Tour, TOU and Host City shall discuss in good faith the terms under which such rescheduling should occur. In the event of such cancellation or postponement due to a Force Majeure event, the obligations of TOU and the rights of Host City shall be as specifically set forth in this Section 21 as the sole and exclusive remedy by virtue of such cancellation or postponement.

22. Cancellation or Postponement of Tour for Reason Other than Force Majeure. TOU shall have the sole and unfettered right to cancel or postpone the Tour or the Host City Stage. In such event, Host City acknowledges and agrees that TOU shall have no financial responsibility to Host City as a consequence of such cancellation or postponement. Upon providing notice of cancellation or postponement, TOU shall have no further obligation to provide Host City with any of the Host City Benefits as set forth in this Agreement.

23. Intentionally Deleted

24. Arbitration. The Parties agree that any dispute between them arising out of, based upon, or relating to this Agreement, shall be resolved exclusively by arbitration

- 4 days out – Thursday, 7/31/14 – 60 rooms
- 3 days out – Friday, 8/1/14 – 230 rooms
- 2 days out – Saturday, 8/2/14 – 430 rooms of which 170 are Responsibility of LOC
- 1 day out - Sunday, 8/3/14 - See above; Responsibility of LOC
- Day 1- Monday, 8/4/14 – 332 rooms of which 170 are Responsibility of LOC

HOTEL REQUIREMENTS:

- Best effort to secure rooms in no more than three hotel properties
- The Tour will work with LOC to select properties for each functional area
- Hotels must be a minimum of a 3 star hotel property
- Hotels must be within close proximity to the finish line
- Hotels must be located in close proximity to each other
- Hotels must be full-service properties with banquet facilities
- Individuals and Teams will be responsible for their own incidental charges; Hotels shall not require credit card pre-authorizations in excess of \$50 per person and \$100 per team.
- Please refer to the Parking Requirements section for an outline of parking spaces needed at hotels.

SITE VISIT/LOC MEETING ROOMS:

The LOC is financially responsible for providing the Tour with (40) hotel room nights to be used anytime from November 1, 2013 to November 1, 2014.

** The Tour will make a concerted effort to explore all opportunities to reduce overall rooming needs based on final headcount. If any reductions are found, the Tour will work with the LOC and respective lodging partner to reconfigure room blocks. Hotel properties must be approved by the Tour of Utah before booking.*

MEALS

TEAM DINNER (SATURDAY, AUGUST 2 AND SUNDAY, AUGUST 3)

The LOC is financially obligated to provide two (2) organized dinners for athletes and team support personnel only (approximately 330 people per dinner) the night of **Saturday, August 2nd and Sunday, August 3rd**, based upon the menu specifications provided by the Tour Operations Director. The dinner should be located at the Team Hotel, and the space must be large enough to accommodate thirty-five (35) rounds of ten (10) people each.

TEAM BREAKFAST (SUNDAY, AUGUST 3 AND MONDAY, AUGUST 4)

The LOC is financially obligated to provide two (2) organized breakfasts for athletes and team support personnel only (approximately 330 people per breakfast) the morning of **Sunday, August 3rd and Monday, August 4th**. The breakfasts should be located at the Team Hotel, and the space must be large enough to accommodate thirty-five (35) rounds of ten (10) people each.

STAFF PER DIEM

A meal per diem of \$15 (per person) should be provided for a staff of 500 people. A restaurant “coupon” system may be used to cover this requirement.

MEDIA MEAL (MONDAY, AUGUST 4)

The LOC is financially obligated to provide a lunch for approximately 30-50 working media. The lunch, which can be the same as the Volunteer Lunch, should be provided in “to go” containers and delivered to the designated media workroom 1-2 hours prior to the race finish. Water and soft drinks should be provided as well.

Exhibit C
Host City Marks
To Be Inserted



4

**Adjunct Instructor
Teaching Agreement**

for teaching the course: Intro to Law Enforcement

This agreement entered into this _____ day of _____, 2014, by and between the SOUTHWEST APPLIED TECHNOLOGY COLLEGE, Cedar City, Utah, hereinafter referred to as SWATC, and Cedar City Police Department, hereinafter referred to as the adjunct instructor, is for teaching the course: Intro to Law Enforcement at the times, days and for the duration indicated in this agreement according to the policies of the Board of Directors of the SOUTHWEST APPLIED TECHNOLOGY COLLEGE as follows:

1. For teaching the course Intro to Law Enforcement during the times, days and for the duration listed below, the Cedar City Police Department will be paid \$ 8,000, payable within 2 weeks of the end of the academic year and after the following paperwork is turned in:
 - A completed Instructor Information form
 - The completed Student Registration forms
 - A record of each student's attendance (student roll)
 - A record of each student's grades including a final grade for the course
2. This agreement may be canceled or adjusted at any time if sufficient student enrollment is not available to meet the financial obligations of Southwest Applied Technology College.
3. The adjunct instructors will faithfully perform assigned teaching duties to the best of his or her ability, under the supervision of the Vice President of Instruction or the designated Program Coordinator, and will be subject to the policies of SWATC.
4. This agreement may be canceled, and the adjunct instructor can be discharged at any time for immorality, insubordination, incompetence, mental or physical incapacity, or violation of any SWATC policy.
5. SWATC will be responsible for determining if course materials will be provided by SWATC or, if the adjunct instructor must develop and provide instructional materials for each student.
6. This agreement covers teaching the course: Intro to Law Enforcement, from August 14, 2014 through May 22, 2015 with class times scheduled: Day/s: A1-CHS and B1 CVHS both 1st and 2nd semesters, Time: 7:50am-9:17am and includes the following:
 - Instruction Time: follow Cedar High and Canyon View high school schedules
 - Developing course materials

Signature: _____

Mayor Maile Wilson
Cedar City Corporation

Date: _____

Signature: _____

Dennis Heaton
Vice President of Instruction, SWATC

Date: _____

**CEDAR CITY
COUNCIL AGENDA ITEM 5
STAFF INFORMATION SHEET**

TO: Mayor and Council

FROM: Kit Wareham

DATE: July 15, 2014

SUBJECT: Lease City Property for Gravel Mining at Approximately 1950 North Bulldog Road

DISCUSSION: In June the City Council agreed to consider the subject property lease. A request for proposals was advertised and sent to several companies who were interested in the lease. We received 2 proposals to lease the property and the proposals have been evaluated by City staff to provide a recommendation to the City Council. The 2 proposals received were from Western Rock and Coal Creek Gravel who is a new partnership between Precision Pipe Line (Landon Floyd) and Rocky Ridge Landscaping (Blake Demille). The total points each proponent received from the 4 staff evaluators was very close with Western Rock receiving 331 points and Coal Creek receiving 330 points. However the proposals were vastly different in content.

The category evaluated that was weighted the heaviest, with 50% of the available points, was the royalty price the proponent would pay to the City. Coal Creek proposed the highest royalty payment of \$0.80 per cubic yard and Western proposed \$0.50 per cubic yard, which was the minimum price accepted in the RFP. However, Western Rock proposed a minimum annual total royalty payment of \$15,000 guaranteeing that an average of 30,000 cubic yards of material would be mined annually during the term of the lease. Coal Creek proposed no minimum annual payment or amount of material mined.

Some other significant evaluation categories and proposal contents were as follows:

- Western Rock offered to allow the City to use any abandoned gravel pits on their adjacent for flood control or ground water recharge. Coal Creek had no gravel pits on any adjacent land to offer.
- Coal Creek had a good reclamation plan where Western's reclamation plan was minimal.
- Coal Creek had documentation of the required \$3,000,000 in insurance coverage where Western's documentation only indicated \$2,000,000 in insurance.

- Western offered to load City trucks with any material the City needs from the pit. Coal Creek had no similar offer.

While the difference between the 2 proponents is very slim it would be staff's recommendation, because of the more sure income stream and known history of the company, to select Western Rock as the lessee. If the City Council would like more information from staff or the proponents to help with the decision an option would be to have the 2 proponents come in for interviews with members of staff and the Council.

Board Members the Need to be Replaced or Reappointed June 2014

Board	Individual to Replace or Reappoint	Reason for Replacement or Reappointment	Proposed Replacement
Board of Adjustments	Doug Christian	Resigned	John Ashby
	Jeff Cowan	Resigned	Janet McCray
CATS	Kristie McMullin	Term limit is up	Needs to be a member of Planning Commission
	Jake Huntsman	Term limit is up	Wants to be reappointed
	Joy Jankowiac	Moving	Annie Yahne (new Exec Director of Iron County Care and Share)
	?	Need 7 members	Jerry Russell
Cedar Disability Awareness/Action Team	?	due to ordinance chg	Emilee Ballard
	Paul White	Resigned	Mary Blankenship
	Linda Lohrengel	Resigned	Kristy DeGraff
Housing	Jocelyn Barnes	Term limit is up (7/1/14)	Wants to be reappointed
Library	Mona Woolsey	Term limit is up	Wants to be reappointed
	Janene Utterback	Term limit is up	wants to be reappointed
Park and Recreation	Marion Morgan	Term limit is up	Wants to be reappointed - expecting to go to 6/30/2016
Planning Commission	Vance Smith	Term limit is up	Mary Pearson
RAP Arts	Myron Armstrong	Term limit is up	Wants to be reappointed
	Joanne Brattain	Term limit is up	Wants to be reappointed
	Clair Morris	Term limit is up	Wants to be reappointed
	Sue Jones	Term limit is up	Wants to be reappointed
RAP Park and Recreation	Mauri Bleazard	Term limit is up	Wants to be reappointed
	Casey McClellan	Term limit is up	Wants to be reappointed
	Sherene Carter	Term limit is up	Wants to be reappointed
	Anita Bunker	Term limit is up	Sarah Lamb
Revised 7/2/14			

